

# **MINUTES OF ROANOKE CITY AUDIT COMMITTEE**

**MARCH 4, 2002**

## **1. CALL TO ORDER:**

**The meeting of the Roanoke City Audit Committee was called to order at 11:00 a.m. on Monday, March 4, 2002, with Chairman, William White, Sr., presiding.**

- **The roll was called by Mrs. Powers**

### **Audit Committee**

**Members Present:** William White, Sr., Chairman  
Mayor Ralph K. Smith  
William H. Carder  
C. Nelson Harris  
W. Alvin Hudson

**Others Present:** William Bestpitch, Council Member  
Mike Tuck, Senior Auditor  
Darlene L. Burcham, City Manager  
George C. Snead, Jr., Assistant City Manager for Operations  
Elizabeth Dillon, Assistant City Attorney  
Jesse A. Hall, Director of Finance  
George McMillan, City Sheriff  
Arthur B. Crush, III, Clerk of Circuit Court  
James Brubaker, Chief Deputy Sheriff - Major  
Ann Shawver, Manager Accounting Services  
Pamela C. Mosdell, Senior Auditor  
Kevin A. Nicholson, Senior Auditor  
Brian M. Garber, Auditor  
Evelyn W. Powers, Administrative Assistant  
Todd Jackson, Roanoke Times Reporter

## **2. FINANCIAL RELATED AUDITS:**

- A. Sheriff Canteen and Jail Inmate Funds
- B. APA Clerk of Circuit Court

Mr. White ordered that the financial related audits be received and filed. There were no objections to the order. Mr. White recognized Mr. Tuck for comments.

Mr. Tuck briefed the Committee on the Sheriff Canteen and Jail Inmate Funds audit report. Mr. White made a suggestion to change "Sales to Inmates" to "Sales to Inmates – Commission" on the Financial Statements. He believes this is more accurate since the Sheriff receives a commission from the sales to the inmates. He also stated that a listing of expenditures in excess of \$5,000 in the future would be informative.

Mr. Nicholson briefed the Committee on the APA Clerk of Circuit Court audit. There were no questions or comments.

### **3. PERFORMANCE AUDITS:**

- A. Fire-EMS
- B. Allright Parking
- C. Solid Waste Management
- D. Critical Data Applications
- E. City Leases
- F. Planning and Zoning

Mr. White ordered that the performance audits be received and filed. There were no objections to the order. Mr. White recognized Mr. Tuck for comments. Mr. Tuck recognized each auditor who performed each of the performance audits. Mr. Garber briefed the Committee on the Fire-EMS audit. There were no questions. Mr. White said that he appreciated the cooperation from the Fire department in working with the audit department to make these improvements. The City Manager said that this type of work is a direct benefit of the audit function to identify and help management implement immediate changes.

Mr. Tuck briefed the Committee on the Allright Parking audit report. There were no questions. Mr. White commented that he was glad to see this type of audit work performed because it assured the City that we are getting what we are suppose to. The City Manager commented that she had asked the auditor to perform this audit due to the current contract with Allright expiring in July 2002. She said that this audit would be beneficial to City management in re-negotiating the next contract and how best to structure the next RFP.

Mr. Nicholson briefed the Committee on the Solid Waste Management audit report. There were no questions. Mr. White commented that he was in agreement with the recommendations in the audit and said this is a pro-active type approach.

Mrs. Mosdell briefed the Committee on the Critical Data Applications audit report. There were no questions. Mr. White asked if these applications were City developed applications. Mrs. Mosdell said that they were City developed applications.

Mr. Nicholson briefed the Committee on the City Leases audit report. Mr. Harris commented that he was glad to see a much better plan regarding City Leases. Mr. White inquired about whether the audit considered the performance aspects of the agreements. Mr. Nicholson said the audit was an identification type where we limited our review of leases to real property involving structures. The City Manager reported that she has assigned the Economic Development department with the responsibility of handling City leases. She also said that the City is taking an aggressive approach as to

the management of City leases. The City is now looking at what we need and what we do not need and declaring property as surplus if we do not need it.

Mr. Garber briefed the Committee on the Planning and Zoning audit report. Mr. Carder asked what triggers are in place to ensure that proper conditions initiate the checks and balances before building permits and business licenses are issued. The City Manager said that the City cannot hold up a business license if the business completes the application and pays the fee. Mr. Carder asked how the Meeting House obtained a Certificate of Occupancy before all the conditions were met. The City Manager said that the Meeting House was not given a Certificate of Occupancy, however, they opened without one. The City Manager said that the City's only recourse was to take the business to court. She asked Elizabeth Dillon, Assistant City Attorney to comment on getting a business license. Mrs. Dillon said that under the Code, as long as a business pays and meets the requirements, they could obtain a business license. Under the current situation, the Certificate of Occupancy and the Business License is not connected together. After much discussion from the Committee, Mr. Carder suggested that this situation be referred to the Legislative Committee. Mr. White asked Elizabeth Dillon to comment. Mrs. Dillon said that the Legislative Committee could look at the avenues currently in place and avenues the Committee would like to pursue.

#### **4. SPECIAL INVESTIGATION:**

##### **A. Payroll**

Mr. White ordered that the Payroll audit be received and filed. There were no objections to the order. Mr. Tuck briefed the Committee on the Payroll audit report. Mr. Tuck said that the compensatory time disbursement did not violate any State or local laws. There were no questions. Mr. Hall said that in the future, any payments would be made in accordance with the POP. Mr. Bestpitch commented that POP #25 clearly states that compensatory time must be approved in advance and that POP #18 does not state that overtime should be approved in advance. Mr. Bestpitch said that POP #18 and #25 should both state advance approval to avoid any misinterpretation. The City Manager reported to the Committee that the two POP's have already been revised and will be presented to the Personnel and Employment Practices Commission (PEPC) in approximately 30 days. Mr. Carder said that City management should be careful as not to hamstring management so much to pre-approve everything because you will have to live with the new procedure. Mr. Carder said that overtime and compensatory time is not bad because it gets you through your peaks and valleys.

#### **5. UNFINISHED BUSINESS:**

##### **A. Update on Audit Department's Website**

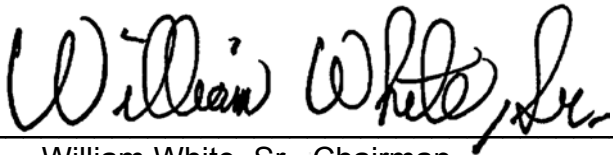
Mr. Tuck briefed the Committee on the department Website. Today's audit reports will be placed on the departments Website by Friday, March 8, 2002. We will also be posting Roanoke City Public School audit reports to the Website after they are presented to the School Board Audit Committee. All City and School audit reports issued after January 1, 2001, will be posted to the Website. The School Board will be adding a link from their Website to the Municipal Auditing Website in the near future.

**6. NEW BUSINESS:**

There was no new business to come before the Committee.

**7. ADJOURNMENT:**

There being no further business, the meeting was adjourned at 11:35 a.m.

A handwritten signature in black ink, reading "William White, Sr.", written over a horizontal line.

William White, Sr., Chairman